



City of Las Vegas

FY 2008 Budget Hearing

May 15, 2007



Fiscal Year 2008 Final Budget

| | |
|-------------------|-----------------|
| Total City Budget | \$1.4 billion |
| City Population | 603,000 |
| General Fund | \$558.2 million |

Submitted at City Council & RDA
Date 5/15/07 Item 182 1

Capital Project Highlights

Re-allocation of Capital Project Funds

| | |
|---------------------|------------|
| Fire Station 49 | \$ 7.7 |
| Pavilion Pool Cover | 6.4 |
| Tropical/Durango | 7.3 |
| Other | <u>3.9</u> |
| | \$ 25.3 |

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Capital Improvement Plan

| | |
|-------------------------|------------|
| General | \$29M |
| City Facilities | 41M |
| Fire Services | 17M |
| Public Works | 11M |
| Traffic | 10M |
| Parks & Leisure | 180M |
| Road & Flood | 105M |
| Detention & Enforcement | 5M |
| Special Assessments | <u>39M</u> |
| Total | \$437M |

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Operating Budget Highlights

- Add 27 new GF positions
 - 20 Firefighters/Paramedics
 - 5 Marshals
 - 2 Customer Service Reps
- Eliminate 7 vacant GF positions
- All increases offset by revenue increases or expenditure reductions

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Floyd Lamb @ Tule Springs

FLS@TS Revenues

| | |
|---------------|----------------|
| Entrance Fees | \$ 172K |
| Leases | 24K |
| Other | <u>13K</u> |
| | <u>\$ 209K</u> |

LS Positions

| | |
|-------------------------|----------------|
| 2 Customer Service Reps | \$ 108K |
| 8 Part Timers | <u>89K</u> |
| | <u>\$ 197K</u> |

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Overtime

- Overtime (OT) is a cost effective solution
 - Based on "time worked", benefits can be twice as costly as OT premium
- Two primary OT concerns
 - Equity of distribution
 - Safety/quality concerns arising from too many hours

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Marshal OT

- Through March, 14,889 hours costing \$722,358 (average is \$48.52/hr.)
- 2nd Yr. Marshal costs \$54.60/hr.
 - Productive hours are 1,744
 - Salary would be \$53,809
 - Benefits would be \$30,716
 - Support costs would be \$10,700

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D&E Recommendation

- Expansion of city facilities requires additional coverage (currently through OT)
- Add 5 Marshals (January Academy)
- Reduce D&E's OT budget by net increase:
 - 5 Marshals (1/2 of year) \$195K

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Firefighter/Paramedic OT

- Through March, 7,848 shifts costing \$7,620,663 (\$971.03/shift)
- 2nd Yr. FF/PM costs \$888.92/shift
 - Productive shifts are 93.0
 - Salary would be \$48,859
 - Benefits would be \$28,811
 - Support costs would be \$5,000

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Firefighter/Paramedic OT

- Rescue 47 and 48 under current academy
- Current F&R CBA requires OT to fill 20 vacant shifts per day

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F&R Recommendation

- Re-allocate 7 vacant positions to F&R
- Add 20 FF/PM (October Academy)
- Sustain F&R's management of vacant shifts
- Reduce F&R's OT budget by net increase:
 - 20 FF/PM ($\frac{3}{4}$ of year) \$ 1,240K
 - Less 6 vacant positions (624K)
 - Needed OT reduction needed \$ 616K

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General Fund Operating

Operating

| | |
|-------------------|------------|
| FY08 Revenue | \$ 551.7 M |
| FY08 Expenditures | (548.9)M |

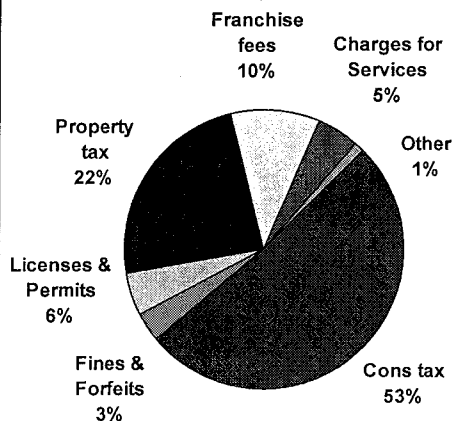
Transfers

| | |
|---------------------|---------------|
| Metro Capital | (6.0)M |
| Parks & Leisure CPF | (2.5)M |
| Fire CPF | <u>(0.8)M</u> |

| | |
|----------------------------|-----------|
| Net reduction Fund Balance | \$ (6.5)M |
|----------------------------|-----------|

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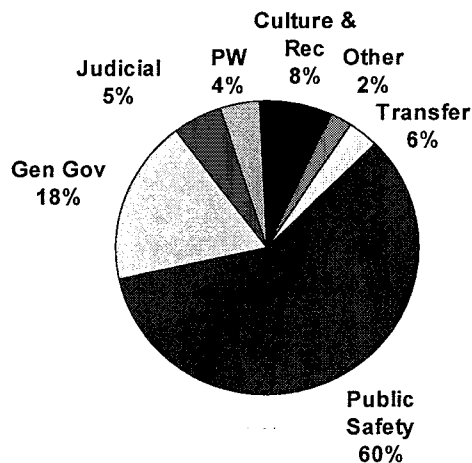
General Fund Revenues



- FY08 budget revenues of \$551.7M exceed FY07 budget by \$11.4M
- C-Tax decrease by 2.5% (\$7.3M)
- Property tax increase by 11.2% (\$13.3M)

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General Fund Expenditures



- FY08 expenses & transfers budgeted at \$558.2M
- Adding 27 new positions
- Eliminating 7 vacant positions
- Fire & Detention OT reductions

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Redevelopment Agency Budget

| | |
|-------------------------|----------------|
| Tax Increment Revenue | \$ 16.2M |
| Debt Service | (8.3)M |
| Housing Set Aside | (2.9)M |
| Operations and Projects | <u>(20.3)M</u> |
| | \$ (15.3)M |

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For The Record

Citizens Priority Advisory Council

- April 25, 2007
- Added 6-month CIP review

NV Department of Taxation

- Acceptance of Tentative Budgets

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City of Las Vegas

FY2008 Budget Hearing

Questions & Answers

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AGENDA ITEM 42 - AMENDED BACKUP DOCUMENTATION

Proposed FY08 CIP Allocations

(Numbers represent dollars in the millions)

| | <u>Total</u> | <u>Unrestricted</u> | <u>RCT-1</u> | <u>RCT-2</u> | <u>RCT-3</u> | <u>RCT-4</u> | <u>RCT-5</u> | <u>RCT-6</u> |
|--------------------------------------|--------------|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| SOURCES: | | | | | | | | |
| Closed/Close Out | 4.68 | 3.00 | | | | | | 1.68 |
| Residential Construction tax | 6.81 | | 0.80 | 0.21 | 0.17 | 1.36 | 0.59 | 3.68 |
| Artificial Turf | 0.93 | 0.93 | | | | | | |
| Shade Structures | 1.60 | 1.60 | | | | | | |
| Park Improvements | 1.00 | 1.00 | | | | | | |
| Ward 1 Field Lighting | 0.23 | 0.23 | | | | | | |
| Fund Balance Reserves | 5.00 | 5.00 | | | | | | |
| 4-9-07 Workshop Results | 20.24 | 11.75 | 0.80 | 0.21 | 0.17 | 1.36 | 0.59 | 5.37 |
| Centennial Hills Park Phase 3 | 1.55 | | | | | | | 1.55 |
| Iron Mountain/Fort Apache Park | 0.37 | | | | | | | 0.37 |
| Fire Station 48 (already has \$9.2M) | 3.10 | 3.10 | | | | | | |
| 5-2-07 Add Backs | 25.27 | 14.85 | 0.80 | 0.21 | 0.17 | 1.36 | 0.59 | 7.29 |
| USES: | | | | | | | | |
| Fire Station 49 | (7.70) | (7.70) | | | | | | |
| Council Chambers Simplification | 0.00 | 0.00 | | | | | | |
| <u>Ward 1</u> | | | | | | | | |
| Cancel Harmony Park | 0.15 | | 0.15 | | | | | |
| Dexter Park Upgrades | (0.15) | | (0.15) | | | | | |
| Essex Park Splash Play Pad | (0.22) | | (0.22) | | | | | |
| (1) Rose Warren Playground Lights | (0.10) | | (0.10) | | | | | |
| (1) Wasden Play Field Lights | (0.15) | | (0.15) | | | | | |
| (3) Hyde Park Basketball | (0.33) | | (0.33) | | | | | |
| Baskin Tennis Courts Replacement | (0.71) | (0.71) | | | | | | |
| <u>Ward 2</u> | | | | | | | | |
| Pavilion Pool Cover | (6.41) | (6.20) | | (0.21) | | | | |
| <u>Ward 3</u> | | | | | | | | |
| Rafael Rivera Tennis Resurface | (0.03) | | | | (0.03) | | | |
| (4) Appropriated for Future Projects | (0.14) | | | | (0.14) | | | |
| (1) Desert Pines Football Artif Turf | | | | | | | | |
| <u>Ward 4</u> | | | | | | | | |
| (4) Appropriated for Future Projects | (1.36) | | | | | (1.36) | | |
| <u>Ward 5</u> | | | | | | | | |
| (2) Fountain Football Scoreboards | (0.15) | | | | | | (0.15) | |
| Doolittle Wall Gaps | (0.05) | | | | | | (0.05) | |
| Doolittle walking track repair | (0.05) | | | | | | (0.05) | |
| (4) Appropriated for Future Projects | (0.34) | | | | | | (0.34) | |
| <u>Ward 6</u> | | | | | | | | |
| Tropical/Durango | (7.29) | | | | | | | (7.29) |
| Floyd Lamb Well | (0.24) | (0.24) | | | | | | |
| Floyd Lamb security/access Fencing | 0.00 | 0.00 | | | | | | |
| Floyd Lamb Sidewalk replacement | 0.00 | 0.00 | | | | | | |
| Balance | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

(1) These are school sites; there may be Open Doors/Open Schools policy questions

(2) Previous scoreboards have been sponsored by leagues; who will be designated to insure installation, maintenance, operation, and training of league representatives?

(3) No current cost estimate available; LS looking into the need for new courts at this location

(4) Balances remaining in RCT revenues will be appropriated for neighborhood park projects to be identified at a later date

Ward 1 RCT - Dollars in \$1,000s

| | CIP Workshops | | |
|---|-----------------|--------------|-----------------|
| | <u>04/09/07</u> | <u>ADJ</u> | <u>05/02/07</u> |
| FY07 Beginning Fund Balance | \$ 872 | | \$ 872 |
| FY08 Revenues & Interest | 75 | - | 75 |
| Allocations (i.e., funding to be spent) | | | |
| Harmony Park - Canceled | (150) | 150 | - |
| Dexter Park Upgrades | | (150) | (150) |
| Essex Park Splash Play Pad | | (220) | (220) |
| Rose Warren Playground Lights | | (100) | (100) |
| Wasden Play Field Lights | | (150) | (150) |
| Hyde Park Basketball | | (327) | (327) |
| FY08 Ending Fund Balance | <u>797</u> | <u>(797)</u> | <u>-</u> |

Ward 2 RCT - Dollars in \$1,000s

| | CIP Workshops | | |
|---|-----------------|--------------|-----------------|
| | <u>04/09/07</u> | <u>ADJ</u> | <u>05/02/07</u> |
| FY07 Beginning Fund Balance | \$ 446 | | \$ 446 |
| FY08 Revenues & Interest | 196 | - | 196 |
| Allocations (i.e., funding to be spent) | | | |
| Pavilion Pool Cover | <u>(400)</u> | <u>(242)</u> | <u>(642)</u> |
| FY08 Ending Fund Balance | <u>242</u> | <u>(242)</u> | <u>-</u> |

Ward 3 RCT - Dollars in \$1,000s

| | CIP Workshops | | |
|---|-----------------|------------|-----------------|
| | <u>04/09/07</u> | <u>ADJ</u> | <u>05/02/07</u> |
| FY07 Beginning Fund Balance | \$ 137 | | \$ 137 |
| FY08 Revenues & Interest | 29 | - | 29 |
| Allocations (i.e., funding to be spent) | | | |
| Rafael Rivera Tennis Resurface | - | (30) | (30) |
| Desert Pines Football Artif Turf | - | | - |
| Appropriated for Future Projects | - | (136) | (136) |
| FY08 Ending Fund Balance | 166 | (166) | - |

Ward 4 RCT - Dollars in \$1,000s

| | CIP Workshops | | |
|---|-----------------|----------------|-----------------|
| | <u>04/09/07</u> | <u>ADJ</u> | <u>05/02/07</u> |
| FY07 Beginning Fund Balance | \$ 1,192 | | \$ 1,192 |
| FY08 Revenues & Interest | 169 | - | 169 |
| Allocations (i.e., funding to be spent) Appropriated for Future Projects | - | (1,361) | (1,361) |
| FY08 Ending Fund Balance | <u>1,361</u> | <u>(1,361)</u> | <u>-</u> |

Ward 5 RCT - Dollars in \$1,000s

| | CIP Workshops | | |
|---|-----------------|--------------|-----------------|
| | <u>04/09/07</u> | <u>ADJ</u> | <u>05/02/07</u> |
| FY07 Beginning Fund Balance | \$ 604 | | \$ 604 |
| FY08 Revenues & Interest | 84 | - | 84 |
| Allocations (i.e., funding to be spent) | | | |
| Lorenzi Park Upgrades | (100) | | (100) |
| Fountain Football Scoreboards | - | (150) | (150) |
| Doolittle Wall Gaps | - | (50) | (50) |
| Doolittle walking track repair | - | (50) | (50) |
| Appropriated for Future Projects | - | (338) | (338) |
| FY08 Ending Fund Balance | <u>588</u> | <u>(588)</u> | <u>-</u> |

Ward 6 RCT - Dollars in \$1,000s

| | CIP Workshops | | |
|---|-----------------|----------------|-----------------|
| | <u>04/09/07</u> | <u>ADJ</u> | <u>05/02/07</u> |
| FY07 Beginning Fund Balance | \$ 10,618 | | \$ 10,618 |
| FY08 Revenues & Interest | 1,424 | - | 1,424 |
| Allocations (i.e., funding to be spent) | | | |
| Polly Gonzales Memorial Park | | (17) | (17) |
| Winding Trails Park | | (26) | (26) |
| Centennial Hills Park Phase 3 | (1,552) | 1,552 | - |
| Floyd Lamb (safety imp. per FOD) | (400) | | (400) |
| Iron Mountain/Fort Apache Park | (677) | 377 | (300) |
| Mountain Ridge Park Phase 4 | (1,729) | 1,729 | - |
| Teton Trails Park | (4,000) | - | (4,000) |
| Tropical/Durango Park | - | (7,299) | (7,299) |
| FY08 Ending Fund Balance | <u>3,684</u> | <u>(3,684)</u> | <u>-</u> |

THE CITIZENS PRIORITY ADVISORY COMMITTEE

City Of Las Vegas • 400 Stewart • Las Vegas, NV • 89101

April 25, 2007

Mayor Oscar B. Goodman
Mayor Pro-Tem Gary Reese
Councilman Larry Brown
Councilman Steve Wolfson
Councilwoman Lois Tarkanian
Councilman Steven D. Ross
Councilwoman Brenda J. Williams (Interim)

Re: **FISCAL YEAR 2008 BUDGET**

Dear Mayor and Council:

The Citizens Priority Advisory Committee (CPAC) was created to provide citizen guidance to the City in the development of its budget and the management of its fiscal affairs. The role of the CPAC has been largely that of policy development, assisting City staff in the development and publication of progressive fiscal and budget policies.

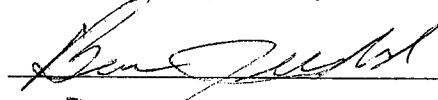
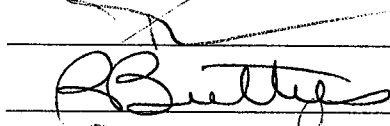
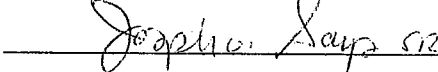
In that role, we provide our endorsement to the attached 33 budget policies which were used in formulating this year's budget. It is our belief that these policies, as followed, will provide the City with sound fiscal direction through this coming year. We also reaffirm our endorsement of the City's fiscal policies, and commend the City for adhering to these policies.

In addition, we encourage the City's continued pursuit of system and process improvements with the goal of attaining "best business practices" as applicable to a local government.

We appreciate the opportunity of working with City staff in this process.

Sincerely,

The Citizens Priority Advisory Committee

MRV:tw

Attachment

cc:

Douglas A. Selby
Steve Houchens
Betsy Fretwell
Orlando Sanchez
Mark R. Vincent

CITY OF LAS VEGAS

BUDGET POLICIES

I. BUDGETS

- A. Budgets will be developed based on historical cost trending, adjusted for specific needs where appropriate.
- B. Appropriations for ongoing expenditures will not exceed ongoing revenues.
- C. Budgets will be reflected at full cost (no vacancy factor) including overhead where appropriate and will be evaluated from the perspective of annualized operating cost.
- D. Budget evaluations will consider current and ensuing year impact.
- E. New programs to be funded (1) from fees, (2) from efficiencies, (3) from general revenues.
- F. Privatization will be considered in providing for expanded or new programs
- G. Program costing will be followed: central service costs will be recovered from outside sources.
- H. Reasonable training and travel will be funded.
- I. Opportunities will be sought to improve performance through technology.
- J. Capital outlays, which reduce operating costs, will be prioritized.

II. POSITIONS AND PERSONNEL

- A. Vacant positions shall be evaluated and re-justified.
- B. All positions will be fully funded (no vacancy factors).
- C. Savings from vacancies will be used to fund one-time costs or replenish fund balance.
- D. Funds will be expended to train and equip the City's workforce.
- E. Continuous process improvements will be pursued to improve quality and seek efficiencies.
- F. Reasonable and customary technical/professional memberships will be funded.

III. CAPITAL

- A. Interest earnings from selected funds shall be dedicated to one time capital needs.
- B. Bonds will only be considered for capital needs where (a) there is a valid 5-year capital improvement plan and (b) it is determined that the City can absorb the operating costs of the new facility in its operating budget.

CITY OF LAS VEGAS BUDGET POLICIES

- C. Major capital acquisitions will be identified and listed in the CIP for the next five years, and will project annual operating costs to be funded from General Fund in future years.
- D. Capital additions shall identify the added net cost of operations.
- E. Capital request shall be measured and evaluated by their cost benefit.
- F. A formal review of the Capital Improvement Plan will be conducted every six months.

IV. REVENUES

- A. Barring extraordinary events, the City shall self impose a property tax limit based on the FY 1999 variance between the actual tax levied and the maximum allowed levy; that is, the City will not raise taxes beyond a self imposed limit that is 11.2 cents per \$100 below the State imposed limit.
- B. Revenue Projections will be based on conservative growth estimations.
- C. One-time revenues will only be used for one-time expenses.
- D. Fees and charges will be increased, where appropriate, to reflect increased cost in operations, including inflation and increased mandates.
- E. Revenues will be optimally sought as provided by law.
- F. Growth related revenues will be used to defray the costs of growth.
- G. Public/public or public/private partnerships will be sought to enhance funding.
- H. Fees will be generically and consistently applied and collected.

V. FUND BALANCE AND RESERVES

- A. The General Fund ending fund balance should equal at least 12 percent of operating revenues.
- B. Statutory balances shall be maintained in self-insurance funds.
- C. Sufficient amounts of replacement reserves shall be maintained in capital replacement funds.
- D. Sick and Annual Leave will be funded to cover current year plus out year.

Reaffirmed by City Council at the May 15, 2007 Budget Hearing.

Attest:

City Clerk

Mayor

THE CITIZENS PRIORITY ADVISORY COMMITTEE

City Of Las Vegas • 400 Stewart • Las Vegas, NV • 89101

April 25, 2007

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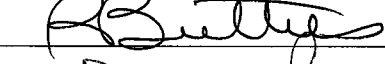
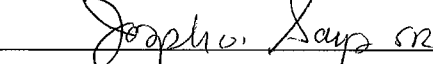
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Submitted at City Council *ROA*
Date *5/15/07* Item *1 & 2*